

SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SECOND GENERAL ASSEMBLY

103RD LEGISLATIVE DAY

MONDAY, MAY 27, 2002

5:00 O'CLOCK P.M.

No. 103
[May 27, 2002]

The Senate met pursuant to adjournment.
 Honorable James "Pate" Philip, Wood Dale, Illinois, presiding.
 Prayer by Senator Kirk Dillard, Hinsdale, Illinois.
 Senator Radogno led the Senate in the Pledge of Allegiance.

The Journal of Wednesday, May 22, 2002, was being read when on motion of Senator W. Jones further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

The Journal of Thursday, May 23, 2002, was being read when on motion of Senator W. Jones further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in H.A.'s 1 and 2 to Senate Bill 1907

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT

JAMES "PATE" PHILIP
 SENATE PRESIDENT

May 27, 2002

Mr. Jim Harry
 Secretary of the Senate
 401 State House
 Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to the provisions of Senate Rule 2-10(e), I hereby extend the deadline for Senate Bills and House Bills Third Reading on the following category of bills, with specific bills enumerated under this category, to May 31, 2002:

Revenue, specifically: Senate Bills 2255 and 2260
 House Bills 539 and 2381

Appropriations, specifically: Senate Bill 2390.

Sincerely

s/James "Pate" Philip
 Senate President

cc: Senator Jones

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EXCUSED FROM ATTENDANCE

On motion of Senator Demuzio, Senator Clayborne was excused from attendance due to illness.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of the following joint resolution, to-wit:

SENATE JOINT RESOLUTION NO. 76

Concurred in by the House, May 22, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1936

A bill for AN ACT in relation to firearms.

Together with the following amendments which are attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1936

House Amendment No. 2 to SENATE BILL NO. 1936

Passed the House, as amended, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1936

AMENDMENT NO. 1. Amend Senate Bill 1936 as follows:

on page 1, line 5, by changing "Section 2" to "Sections 2 and 4"; and on page 3, by inserting between lines 29 and 30 the following:

"(430 ILCS 65/4) (from Ch. 38, par. 83-4)

Sec. 4. (a) Each applicant for a Firearm Owner's Identification Card must:

(1) Make application on blank forms prepared and furnished at convenient locations throughout the State by the Department of State Police, or by electronic means, if and when made available by the Department of State Police; and

(2) Submit evidence to the Department of State Police that:

(i) He or she is 21 years of age or over, or if he or she is under 21 years of age that he or she has the written consent of his or her parent or legal guardian to possess and acquire firearms and firearm ammunition and that he or she has never been convicted of a misdemeanor other than a traffic offense or adjudged delinquent, provided, however, that such parent or legal guardian is not an individual prohibited from having a Firearm Owner's Identification Card and files an affidavit with the Department as prescribed by the Department stating that he or she is not an individual prohibited from having a Card;

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(ii) He or she has not been convicted of a felony under the laws of this or any other jurisdiction;

(iii) He or she is not addicted to narcotics;

(iv) He or she has not been a patient in a mental institution within the past 5 years;

(v) He or she is not mentally retarded;

(vi) He or she is not an alien who is unlawfully present in the United States under the laws of the United States;

(vii) He or she is not subject to an existing order of protection prohibiting him or her from possessing a firearm;

(viii) He or she has not been convicted within the past 5 years of battery, assault, aggravated assault, violation of an order of protection, or a substantially similar offense in another jurisdiction, in which a firearm was used or possessed;

(ix) He or she has not been convicted of domestic battery or a substantially similar offense in another jurisdiction committed on or after the effective date of this amendatory Act of 1997; and

(x) He or she has not been convicted within the past 5 years of domestic battery or a substantially similar offense in another jurisdiction committed before the effective date of this amendatory Act of 1997; and

(3) Upon request by the Department of State Police, sign a release on a form prescribed by the Department of State Police waiving any right to confidentiality and requesting the disclosure to the Department of State Police of limited mental health institution admission information from another state, the District of Columbia, any other territory of the United States, or a foreign nation concerning the applicant for the sole purpose of determining whether the applicant is or was a patient in a mental health institution and disqualified because of that status from receiving a Firearm Owner's Identification Card. No mental health care or treatment records may be requested. The information received shall be destroyed within one year of receipt.

(a-5) Each applicant for a Firearm Owner's Identification Card who is over the age of 18 shall furnish to the Department of State Police either his or her driver's license number or Illinois Identification Card number.

(a-10) Each applicant for a Firearm Owner's Identification Card, who is employed as an armed security officer at a nuclear energy, storage, weapons, or development facility regulated by the Nuclear Regulatory Commission and who is not an Illinois resident, shall furnish to the Department of State Police his or her driver's license number or state identification card number from his or her state of residence. The Department of State Police may promulgate rules to enforce the provisions of this subsection (a-10).

(b) Each application form shall include the following statement printed in bold type: "Warning: Entering false information on an application for a Firearm Owner's Identification Card is punishable as a Class 2 felony in accordance with subsection (d-5) of Section 14 of the Firearm Owners Identification Card Act."

(c) Upon such written consent, pursuant to Section 4, paragraph (a) (2) (i), the parent or legal guardian giving the consent shall be liable for any damages resulting from the applicant's use of firearms or firearm ammunition.

(Source: P.A. 91-514, eff. 1-1-00; 91-694, eff. 4-13-00; 92-442, eff. 8-17-01.)".

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AMENDMENT NO. 2 TO SENATE BILL 1936

AMENDMENT NO. 2. Amend Senate Bill 1936 as follows:
 on page 1, line 5, by inserting after "2" the following:
 "and by adding Section 15b"; and
 on page 3, by inserting between lines 29 and 30 the following:
 "(430 ILCS 65/15b new)"

Sec. 15b. Certified abstracts. Any certified abstract issued by the Director of State Police or transmitted electronically by the Director of State Police under this Section to a court or on request of a law enforcement agency for the record of a named person as to the status of the person's Firearm Owner's Identification Card is prima facie evidence of the facts stated in the certified abstract and if the name appearing in the abstract is the same as that of a person named in an information or warrant, the abstract is prima facie evidence that the person named in the information or warrant is the same person as the person named in the abstract and is admissible for any prosecution under this Act or any other applicable violation of law and may be admitted as proof of any prior conviction or proof of records, notices, or orders recorded on individual Firearm Owner's Identification Card records maintained by the Department of State Police."

Under the rules, the foregoing Senate Bill No. 1936, with House Amendments numbered 1 and 2, was referred to the Secretary's Desk.

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 4023

A bill for AN ACT concerning local planning.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 4023.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 5002

A bill for AN ACT in relation to criminal law.

Which amendment is as follows:

Senate Amendment No. 3 to HOUSE BILL NO. 5002.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

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HOUSE BILL 5654

A bill for AN ACT concerning counties.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 5654.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 5803

A bill for AN ACT relating to auctions.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 5803.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 5941

A bill for AN ACT in relation to vehicles.

Which amendment is as follows:

Senate Amendment No. 2 to HOUSE BILL NO. 5941.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 5961

A bill for AN ACT concerning well water.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 5961.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

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HOUSE BILL 6041

A bill for AN ACT in relation to health facilities.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 6041.

Senate Amendment No. 2 to HOUSE BILL NO. 6041.

Concurred in by the House, May 23, 2002.

ANTHONY D. ROSSI, Clerk of the House

LEGISLATIVE MEASURES FILED

The following floor amendments to the House Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Amendment No. 2 to House Bill 1215

Senate Amendment No. 3 to House Bill 4453

The following floor amendment to the Senate Bill listed below has been filed with the Secretary, and referred to the Committee on Rules:

Senate Amendment No. 1 to Senate Bill 2390

COMMITTEE MEETING ANNOUNCEMENT

Senator Donahue, Vice-Chairperson of the Committee on Appropriations, announced that the Appropriations Committee will meet today, in Room 212, Capitol Building immediately after the Joint Session of the House and Senate.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 440

Offered by Senator W. Jones and all Senators:

Mourns the death of Reverend Paul Lindstrom of Prospect Heights.

SENATE RESOLUTION NO. 441

Offered by Senator Lauzen and all Senators:

Mourns the death of Santos Joseph Soliz of Aurora.

SENATE RESOLUTION NO. 442

Offered by Senator Lauzen and all Senators:

Mourns the death of John J. Cibulskis, Sr. of Marywood.

SENATE RESOLUTION NO. 443

Offered by Senator Lauzen and all Senators:

Mourns the death of Michael DiCarlo of Mundelein.

SENATE RESOLUTION NO. 444

Offered by Senator Sullivan and all Senators:

Mourns the death of Mathew Ives of Arlington Heights.

SENATE RESOLUTION NO. 445

Offered by Senator Myers and all Senators:

Mourns the death of Marvin "Bud" Ehrlich of Danville.

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The foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Geo-Karis offered the following Senate Resolution, which was referred to the Committee on Rules:

SENATE RESOLUTION NO. 446

WHEREAS, Philip of Macedonia, his son, Alexander the Great, and his tutor, the philosopher Aristotle, were born and raised in the Northern Province of Greece, Macedonia; and

WHEREAS, The language and culture of the ancient Macedonians, the ancestors of the inhabitants of northern Greece of today, were Hellenic; and

WHEREAS, The Macedonians, like the rest of the Hellenes in Antiquity, believed in the 12 Gods of Olympus and participated with their fellow Hellenes in the Olympic Games; and

WHEREAS, Pella, the palace where Alexander the Great was born, and Vergina, the burial site of the Macedonian kings, are all located in Northern Greece; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that for all of the above reasons, we proclaim that the ancient Macedonians are Hellenes and that the inhabitants of the northern province of Greece, Macedonia, are their Hellenic Descendants; and be it further

RESOLVED, That the history of Ancient Macedonia has been Hellenic for 3,000 years and continues to be today; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Dr. Antonios Papadopoulos, the Mid-Western District Governor of the Pan-Macedonian Association, Inc.

At the hour of 5:46 o'clock p.m., Senator Dudycz presiding.

REPORTS FROM RULES COMMITTEE

Senator Weaver, Chairperson of the Committee on Rules, during its May 27, 2002 meeting, reported the following House Bills have been assigned to the indicated Standing Committee of the Senate:

Executive: House Bills numbered 539 and 2381.

Senator Weaver, Chairperson of the Committee on Rules, during its May 27, 2002 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Appropriations: Senate Amendment No. 1 to Senate Bill 2390.
Executive: Senate Amendment No. 2 to House Bill 1215.

MESSAGE FROM THE HOUSE OF REPRESENTATIVES

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 81

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BE IT RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that the two Houses shall convene in Joint Session on Monday, May 27, 2002, at the hour of 6:00 o'clock p.m., for the purpose of hearing his Excellency Governor George Ryan present to the General Assembly his Budget for the State of Illinois for Fiscal Year 2002.

Adopted by the House, May 27, 2002.

ANTHONY D. ROSSI, Clerk of the House

By unanimous consent, on motion of Senator Weaver, the foregoing message reporting House Joint Resolution No. 81 was taken up for immediate consideration.

Senator Weaver moved that the Senate concur with the House in the adoption of the resolution.

The motion prevailed.

And the Senate concurred with the House in the adoption of the resolution.

Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 5:52 o'clock p.m., the Chair announced that the Senate stand at recess for the purpose of proceeding to the House of Representatives to meet in joint session pursuant to House Joint Resolution No. 81.

JOINT SESSION 6:00 O'CLOCK P.M.

The hour having arrived, the time heretofore fixed by Joint Resolution adopted by the Senate and the House of Representatives, the Joint Session convened for the purpose of receiving the Governor to deliver his Budget for Fiscal Year 2003 in person to the Ninety-Second General Assembly.

The Senate, preceded by its President and Secretary, appeared in the Hall of the House of Representatives and, by direction of the Speaker, took the seats assigned them.

The two Houses being convened in Joint Session, the President of the Senate announced that a quorum of the Senate was present.

The Speaker of the House of Representatives announced that a quorum of the House was present.

A majority of each House of the General Assembly being present, the Speaker of the House announced the Joint Session duly formed.

Representative Currie offered the following resolution and moved its adoption:

JOINT SESSION RESOLUTION 4

RESOLVED, That a committee of ten be appointed, five from the House, by the Speaker of the House, and five from the Senate, by the President of the Senate, to wait upon His Excellency Governor George Ryan and invite him to address the Joint Assembly.

The motion prevailed.

The President of the Senate announced the appointments, as Members of such Committee, on the part of the Senate: Senators

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Dudycz, Mahar, Weaver, Halvorson and O'Daniel.

The Speaker of the House announced the appointments, as Members of such Committee, on the part of the House: Representatives Burke, Holbrook, Morrow, Bost and Poe.

His Excellency, Governor George Ryan, was admitted into the Hall of the House of Representatives, and was presented to the General Assembly, to deliver his message in person as follows:

FISCAL YEAR 2003 STATE BUDGET
SPECIAL ADDRESS
GOVERNOR GEORGE H. RYAN
Monday, May 27, 2003

Speaker Madigan;
President Philip;
Leader Daniels;
Leader Jones;
Members of the General Assembly;
My fellow constitutional officers;
Our guests in gallery:

And, especially, my fellow citizens of the State of Illinois:

When I announced last August that I was not running for re-election, it didn't mean that I was going to run from my responsibilities.

That's why I have asked you to come here tonight, on Memorial Day evening, to do the responsible thing: to discuss the most serious financial problem our state has faced in 50 years - and to introduce a new budget for your input and consideration.

Calling all of you together for a joint session on Memorial Day is a first for the General Assembly.

I don't believe there is another time in our state's history when a governor has asked for a joint session on a national holiday.

I thank you for your time, your commitment and your understanding.

I also apologize to you and your families for the inconvenience I may have caused you.

But we are here tonight because this is an extraordinary moment in the history of our state.

Never before - never before - has state government faced a budget problem so staggering in size or so devastating in its potential affect on the people of our great state.

A \$2 billion revenue shortfall threatens the education and the well-being of our children, health care for the disadvantaged and seniors, the safety of our neighborhoods and the creation of jobs and opportunity.

For the last several months, I have struggled to balance the needs of Illinois citizens with the revenues that are available.

Since September 11th, our revenues have fallen dramatically - by hundreds of millions of dollars.

After that cowardly attack on our country and our economy, Americans all over suffered tremendous losses.

Forty-two other states have problems as bad as ours, and in many cases, those problems are much worse.

The terrorists that attacked our country not only killed thousands of men, women and children, they also destabilized the economy of this country.

I'm not sure most people understand that is the real reason for

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our budget problem.

Some think it's mismanagement.

Others less knowledgeable claim over-spending.

There may be some of that, but that is not the largest part of the problem.

After September 11th, our aviation system, for the first time in the history of commercial air travel, was grounded.

Our hotels had an occupancy rate of between 7 percent and 9 percent.

The convention halls were empty and closed.

The restaurants had no customers and laid people off.

Retailers saw sales plummet as consumers stayed home.

Wall Street went into a panic from which it is still trying to recover.

As a result, the tax revenue stream that supports our government dried up.

Revenues fell each month last year from September to January.

And even in January, February, March and April our sources of funding fell each month by hundreds of millions of dollars.

Sales taxes, personal income taxes and corporate income taxes all dropped off.

The drop in revenues is the worst we have experienced in this state in 50 years.

Each year, for the last 47 years, we have had revenue growth over the previous year.

Some years that growth was \$300 million to \$500 million.

Other years, we saw \$900 million to \$1.2 billion in growth - an that's especially true during the last three years.

That means that for 47 years we have had a growing economy.

Some years have been better than others, but we still had an economy that provided more tax dollars to government than in the previous year.

That has been the story for the last 50 years.

This year is different - very different.

This year we face a \$2 billion revenue shortfall in the coming fiscal year.

In an attempt to help resolve our problems and keep us from bankruptcy, I began to cut the FY 2002 budget, and you may recall I asked for your support to help me spread the cuts fairly across the board.

For whatever reason, the general Assembly, with the exception of the Senate Republicans, didn't want to participate in any "cutting" process.

I took the Fiscal Year 2002 budget that I introduced at \$23.3 billion and made initial cuts of 2 percent where I had the authority to do so.

As revenues continued to fall I went back again to the agencies that I had the authority over and cut an additional 3 percent across the board.

That reduced our FY 2002 budget down by 5 percent to \$22.3 billion.

I then asked state employees to give up a furlough day -- one day's pay returned to the state to help offset the shortage in revenue.

Each furlough day for all employees saves \$8 million.

Everyone in my office, all agency directors and merit compensation employees agreed and paid their fair share to help balance the budget.

I received the cooperation of nearly every union that represents state employees.

The Illinois Nurses Association, the Illinois federation of Public Employees, Teamsters locals 916, 726 and 330, the Conservation

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Police Lodge and the operating engineers, carpenters, electricians and stationary engineers agreed to help with a furlough day in order to avoid layoffs.

Only two unions refused to help and even went to court to avoid furlough days - AFSCME and the Illinois Federation of Police.

AFSCME and the FOP have refused to cooperate or help with our budget problems.

They have gone to court to stop any proposals that will downsize or close a state facility or layoff employees.

Everyone else in state government has cooperated and helped to solve our mutual problem - everyone but the leaders of AFSCME and the FOP.

They would rather have some of their members laid off than make some concessions to keep all of their members working.

I don't understand that logic or reasoning.

Tens of thousands of Illinois residents have lost their jobs.

Thousands more fear they will lose their jobs.

Major companies like American and United airlines, Boeing, Motorola, Sears and Lucent Technologies - just to name a few - have laid off thousands of employees in Illinois and across the nation to remain viable.

These companies don't expect consumers to bail them out completely with higher prices.

We certainly can't balance the budget only by raising taxes.

But a major tax increase is exactly what the AFSCME union leadership wants.

Even a few of my good Republican colleagues, in classic election year pandering, have joined forces with AFSCME to tie my hands and the hands of any governor to manage personnel in the face of a crisis.

They have decided that re-election is more important.

During the course of the past several months I have met with you as members, some alone, some in groups, some with constituent groups.

I have met with the leaders - one-on-one, two-on-one and four-on-one.

In addition, I have met with interest groups and concerned citizens, and I have received thousands of letters from people who are fearful for themselves and their loved ones as a result of the cuts I have already made and the additional cuts they anticipate.

My meetings with the leaders have not really produced any meaningful solutions to our problems - but they have helped me identify what they believe you could, or could not, support.

Some leaders insist there be no cuts or reductions.

Others insist there be no tax increases.

We just have not been able to fashion a proposed budget that will satisfy everyone.

I do know there is no support for \$2 billion spending cuts and there is no support for \$2 billion in new taxes.

Therefore, the only alternative that makes any sense is to do some of both in order to bridge our \$2 billion revenue gap.

It is my expectation that the proposal I am delivering to you tonight will be debated by both chambers of this General Assembly.

Working together, we can get this done this week and we can prevent an overtime session that could be long for all of us and devastating for the people of Illinois.

The method that's been used to develop the budget for more than 15 years isn't working this year.

When I served in this chamber, we debated the budget on the floor, discussed the good and the bad and passed and defeated amendments affecting all areas of state government.

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That's the approach we're going to take this year in order to start this process into action.

State spending in this new budget is just about equal in size to what I proposed to you in February.

But in this new proposal, I have taken the best of your ideas and the best of the suggestions that I've heard from advocacy groups and others.

This budget is a compromise document.

There will still be cuts in state spending - about \$500 million in additional cuts.

But we have moved money around in order to restore about \$336 million in programs that generated the most strenuous objections.

With that said, this new budget restores - by half - the cuts I originally proposed to Medicaid rates for providers.

I recognize the difficulties that participants in the Medicaid program have had over the last several months and this budget restores one half of that funding in order to ease those pains.

But - unfortunately - the overall cost of the Medicaid program prevents us from holding the program harmless at previous funding levels.

The cost would be too great, and we simply cannot do it this year.

We will, however, fully fund the state's mental health and developmentally disabled programs at their original Fiscal Year 2002 levels.

We will restore funding to subsidize childcare programs at their original 2002 budget level, a restoration that will prevent any increase in co-payments for parents.

We will fully fund the Community Care Program in the Department on Aging at the original 2002 level.

We will maintain, at the original 2002 level, the fare subsidy we provide to the Regional Transportation Authority for the elderly, students and the disabled.

We will be able to fund a new class of state police cadets in the coming year, maintaining our commitment to keep our roadways safe.

Thanks to both sides of the aisle in both chambers, the Vienna Correctional Center will stay open - but at a reduced level of operation.

And we also will fund the occupation of three cell houses at the state's newest maximum security prison in Thomson, with the first inmates arriving in January of 2003.

In addition, this budget proposes \$1 billion in short-term borrowing in order to help pay off the staggering backlog of bills that we owe to individuals and businesses in every part of this state.

Debt service costs for this short-term loan is included in the total budget.

Also included is \$1 billion in new funding, through bonds, for the state's highly successful school construction program.

I've heard many, many legislators, as well as students, parents, local school officials and labor unions voice strong support for more money in the school construction fund.

This budget includes my original proposals for a pilot project that leads us to a statewide "universal access" to quality preschool programs, as well as funding for the "Great Start" program that helps support preschool teachers.

The Merit Scholarship program will be fully funded, as will the remaining work needed to be done on the Illinois Century Network.

We will fund adult literacy programs and our award-winning Skills Match' system, which uses the Internet to match job seekers with

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employers.

We will continue the good work of the Illinois Workforce Advantage program, which helps struggling communities access the state services they need to create education, health care and jobs.

We will expand the number of Community Integrated Living Arrangements to help the developmentally disabled find a safe and productive home in a real neighborhood.

And, importantly for low-income families, this budget includes an appropriation of federal money - no state money - that creates a "FamilyCare" program to provide health insurance to roughly 35,000 parents of children enrolled in the "Kid Care" program.

We're close to an agreement with the federal government on this program.

But by keeping initiatives alive, or by adding back programs, we must find a way to pay the cost.

To do that, we have to cut \$500 million more out of the budget.

And these new cuts must be added to many of the painful spending reductions that I announced in February.

To put it in plain language, we will cut more from the budget than I proposed in February, but those cuts will be in different places.

We will reduce higher education by \$65 million, with the bulk of that cut coming out of proposed funding for a fifth year of scholarships for students through in the Monetary Award Program.

The MAP program will still help students pay for four years of college, but we won't be able to do more than that, as some had hoped.

At the Department of Corrections, we will close the Sheridan Correctional Center, as well as several work camps and "boot" camps throughout the state, as well as some adult transition centers.

We will lay off more than 400 sergeants from the ranks of correctional officers and we must pursue the privatization of food service operations in our state prisons privatizing our food service from AFSCME, the reality is for 20 years the state has used private vendors to operate food services in maximum security facilities - our most dangerous prisons - for 20 years without major incident or a decline in safety

The federal government has privatized food services in their prison system, as do 20 states, including Indiana, Wisconsin, Michigan, California, Florida and Texas.

And in Illinois, the counties of DuPage, Kane, St. Clair and, surprise - Cook - also have privatized their food service operations with no major problems.

Privatizing our prison food services will save us \$25 million and we should do it now.

At the Department of Human Services, we will close 11 local service offices throughout the state.

We will close the civil commitment wing of the Alton Mental Health Center and reduce operations at the DHS central offices in Chicago and Springfield.

Unfortunately, we will have to scale back by half the increase in the TANF grant that I proposed in February.

But I still believe it is important to give those families an increase this year - the first increase they've received in a decade.

We will reduce central operational costs at the Department of Public Aid, the Department of Transportation, the Department of Commerce and Community Affairs, the Department of Natural Resources, the Illinois State Police and the Department of Agriculture.

We will have to reduce spending at the Department of Children and Family Services, but none of those cuts - none of those cuts - will

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adversely affect the programs we have in place to protect children or the award-winning work that the agency is doing in adoptions and putting families back together.

Another unfortunate - but unavoidable - reduction are the funds we have committed to anti-smoking programs throughout Illinois.

Since 1999, we have spent \$120 million on these programs.

This budget includes a \$19 million reduction in spending on anti-tobacco initiatives.

All of our anti-smoking efforts are well done -- and they are working well.

But this year, in a year of many difficult decisions, we cannot afford to maintain them at the current levels.

In this budget, we will rely on another way to curb the use of tobacco.

In addition to these program cuts, we will gain \$50 million from personnel management policies that we will implement statewide, in every agency, over the next year.

I also propose that we pass an early retirement program.

Along with these cuts, we will have to shift money within the state budget from funds that are flush with cash to the General Revenue Fund.

From various funds throughout state government, we will be able to divert roughly \$227 million to the general revenue fund.

We will divert - for this year only -- \$30 million from the Road Fund to pay for the operations of the Illinois State Police.

We will divert one-third of the \$90 million in unused reserves being held by the CHIP program, and use that money - in this year only - for operations.

In my view, we cannot cut the budget any deeper in order to bring revenues in line with spending.

To go any further would be harmful to the people we are obligated to serve with these programs.

So we must go in the opposite direction and make small changes to our revenue structure in order to make ends meet.

We will not raise general taxes that affect the majority of the state's citizens.

There will not be an increase in the income or sales taxes.

There will not be a tax amnesty program to recoup money that we are owed by tax deadbeats.

But many people will nonetheless have to sacrifice on behalf of the greater good.

I am calling on business to support the "decoupling" of Illinois law from federal law in regard to the depreciation of equipment for tax purposes.

If we do this, businesses in Illinois will still benefit from more than \$2 billion in new federal tax breaks - and the state treasury will not lose \$240 million.

We need that \$240 million to balance this budget.

I propose a 38-cent increase in the state's cigarette tax - bringing the total to 96 cents per pack - in order to raise \$240 million.

Given the necessity to reduce funding for the state's anti-tobacco campaigns, raising the state cigarette tax will help reduce the demand for tobacco and help us balance the budget.

Raising the cigarette tax is good public policy and we need to do it.

I also propose to raise \$200 million from an increase in the state tax on revenue from the state's riverboat casino fleet and a \$3 increase in the per-person entry fee.

Last year the adjusted gross revenues of the nine operational

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gaming licenses was \$1.7 billion.

Of that, we collected \$555 million.

We should collect a greater share of the take, especially with the fate of the 10th riverboat license still caught in a legal limbo that has now lasted for three years, with no end in sight.

This budget also proposes modest increases in other taxes that do not cut into the necessary expenses of families in Illinois - food, clothing or shelter.

We can generate \$150 million from small changes in the real estate transfer tax, the tax on photo processing services and in the way we collect the sales tax on liquor.

Further, we can generate another \$50 million if we increase the existing annual license fee for video amusement games from the current \$15 to \$1,000.

As I said, this budget is a tough proposition for you to accept.

But the alternatives before you - stalemate, deadlock and inaction - are worse for the people of this state.

It is time for us to show real leadership.

If we want the voters throughout Illinois to wrap us in the mantle of leadership, then we cannot - and should not - shrink from the hard responsibilities that come with that leadership.

This budget is not perfect.

But this past year has not been a perfect year.

All around us, people are losing their jobs.

Our unemployment rate is higher than it has been in more than five years.

Our tax collections this year will fall below last year's levels.

And with this budget, our state spending will not even meet the amount we spent on programs two years ago.

But we have no choice.

With this budget, we can keep this state moving forward as best we can.

We can make Illinois a better place.

But in order to do that we have to act now.

Join me in passing this balanced, reasonable and responsible budget.

I will not be deterred from doing the job I was elected to do.

My focus on solving this budget stalemate is unwavering.

I ask you, my friends and colleagues of many years, to have the same focus.

I have said many times that while politics is a popularity contest; governing is not.

Governing is about doing what's right.

It's about making a difference in the lives of the people we serve.

It's about making decisions when decisions have to be made.

This is one of those times when decisions have to be made.

My door is open.

I'm ready to work with you.

Let's get to it. Thank you very much, and God Bless the people of the State of Illinois.

Having concluded his message, his Excellency Governor George Ryan was then escorted from the Hall of the House of Representatives by the Committee heretofore appointed.

At the hour of 6:41 o'clock p.m., Senator Philip moved that the Joint Assembly do now arise.

And the motion prevailed.

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AFTER RECESS

Thereupon the Senate returned to the Senate Chambers and resumed consideration of business.

Honorable James "Pate" Philip, President of the Senate, presiding.

At the hour of 6:59 o'clock p.m., on motion of Senator Weaver, the Senate stood adjourned until Tuesday, May 28, 2002 at 11:00 o'clock a.m.

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